

**WISCONSIN DEPARTMENT OF HEALTH AND FAMILY SERVICES**  
**Division of Health Care Financing**  
**1 W. Wilson St.**  
**Madison WI 53702**

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To: Food Stamp Handbook Holders

From: Cheryl McIlquham,  
Bureau of Health Care Eligibility

Re: **FS Handbook Release 03-01**

Release Date: February 25, 2003

Effective Date: February 25, 2003

**EFFECTIVE DATE**

Implement the instructions at application, recertifications, and change, or, if you wish, earlier. The following policy additions or changes are effective 02/25/03, unless otherwise noted. Bold text denotes new text. Italicized text denotes deleted text.

**POLICY CHANGES**

FS Group Unit Q. 5

A reference to FS Work Program sanctions was deleted. The question was rewritten to ask about Drug Felony requirements.

FS Group Unit Q. 6

The old Question 6 was deleted because it referred to SSI recipients that were ineligible aliens. Subsequent questions in this unit were reordered.

FS Group Unit Q. 10

General Relief (GR) is no longer used in determining categorical or mixed categorical eligibility. This is now Question 9.

**Old Policy:** Do **all** members of the FS group receive *either* SSI *or* *General Relief (GR?)*

**New Policy:** Do **all** members of the FS group receive SSI?

FS Group Unit Q. 11

General Relief (GR) is no longer used in determining categorical or mixed categorical eligibility. This is now Question 10.

**Old Policy:** Is there at least one member of the FS group who receives *either* SSI *or* GR and there is at least one other member who doesn't receive SSI, GR, or any of the assistance types listed in 9 above?

**New Policy:** Is there at least one member of the FS group who receives SSI and there is at least one other member who doesn't receive SSI or any of the assistance types listed in 8 above?

Unearned Income Unit  
Q. 2

"Student income from loans and grants" was deleted from this list of unearned income types that are budgeted. Student loans and grants are no longer budgeted.

01.03.01

Categorical eligibility rules pertained to FS AGs in the past. Now they pertain to food units.

**Old Policy:** There are 2 types of categorically eligible groups:

categorically eligible and mixed categorically eligible. If any member of a *FS group* receives or is authorized to receive any of the following assistance types in a month, then the entire group is categorically eligible:

**New Policy:** There are 2 types of categorically eligible groups: categorically eligible and mixed categorically eligible. If any member of a **food unit** receives or is authorized to receive any of the following assistance types in a month, then the entire group is categorically eligible:

01.03.01

Effective 02/21/03:

**Old Policy:** The FS group isn't categorically eligible if any member of its food unit loses FS eligibility because s/he:

1. Was disqualified for an IPV or,
2. *Did not cooperate with a FS work registration requirement*, or
3. Was disqualified due to a drug felony sanction.

**New Policy:** The FS group isn't categorically eligible if any member of its food unit loses FS eligibility because s/he:

1. Was disqualified for an IPV or,
2. Was disqualified due to a drug felony sanction.

**TANF or SSI recipients sanctioned for IPV or Drug Felony maintain individual categorical eligibility for resources only. Resources are excluded and not deemed. Income continues to be deemed.**

07.01.01

**Old Policy:** 4. Participating in a Title IV or state work study program. Continue the exemption until the end of the month in which the school term ends, or the student refuses to do his assigned work.

**New Policy:** 4. Participating in a Title IV or state work study program. Continue the exemption until the end of the month in which the school term ends, or the student refuses to do his assigned work. **A student who has stopped working during the school year because the work study funding has run out would continue to be classified as an eligible student until the end of the school term.**

07.03.00

**Old Policy:** *Count the following as unearned income. Use the student's award letter to determine the income from these sources:*

1. *Educational loans where repayment is deferred (if payments on the loan must begin within 60 days after the loan is received, it is not a deferred repayment loan),*
2. *Grants,*
3. *Scholarships,*
4. *Fellowships,*
5. *Veterans education benefits.*

*See 07.05.04 for Nonfederal work study instructions. Disregard Title IV, federal work study, and BIA aid (07.03.01).*

**New Policy:** Effective January 1, 2003, all types of student financial aid are disregarded and not counted as income. Disregard any educational loans on which payment is deferred, grants, scholarships, fellowships, veterans' educational benefits,

etc. Title IV Work Study is also disregarded.

**This exclusion of student financial aid as income does not affect the non-financial eligibility determination policy for students age 18-49 enrolled in institutions of higher education. See 07.01.00 and 07.01.01 for policy on nonfinancial eligibility of students.**

07.03.01, 07.03.01.01,  
07.03.01.02,  
07.03.01.03, 07.04.00,  
07.04.01, 07.05.00,  
07.05.01, 07.05.02,  
07.05.03, 07.05.04,  
07.06.00, 07.06.01,  
07.06.02, 07.06.03,  
07.06.04, 07.06.04.01,  
07.06.05, 07.06.05.01,  
07.06.05.02, 07.07.00,  
07.08.00

**Old Policy:** (summary) Student financial aid was budgeted as income after expenses were deducted. These sections gave details on that policy.

**New Policy:** (summary) Student financial aid is disregarded. The sections on the left were deleted.

09.02.00

This section on residency guidelines was renamed "Guidelines for Determining Residency", the policy was expanded, and examples were added. The changes were too numerous to include in the green sheet. This policy was first reported in Operations Memo 02-65 and is effective 01/01/03.

09.03.00

This section on Temporary Absence from the FS household has been expanded and examples were added. This policy was first reported in Operations Memo 02-65 and is effective 01/01/03.

**Old Policy:** *Include a temporarily absent person in the food unit. Examples of temporary absence are:*

- *Hospitalization.*
- *Employment (for example, truck driver).*
- *Visits.*
- *Attending a public educational institution or specialized school such as schools for the blind or deaf. This applies only when the parent continues to exercise care and control of the student.*

**New Policy:** (effective 01/01/03) **Include in the food unit an individual temporarily absent from the household when the expected absence is no longer than 2 full consecutive calendar months past the month of departure. Some examples are absence due to illness or hospitalization, employment, and visits.**

**To be considered temporarily absent, one must meet ALL of the following conditions:**

1. **The individual must have resided with the food unit immediately before the absence,**
2. **The individual intends to return to the home, and the food unit must maintain the home for him/her,**
3. **If the absent person is a child, the caregiver of the absent child is responsible for the child's care and control when the child returns to the home, and**
4. **If the absent person is an adult, the adult must still be responsible for care and control of the child during their**

**Attending school - Persons temporarily absent to attend a school will no longer be a reason to remain included in the FS AG.**

**Incarceration - Huber Law prisoners released for the purpose of caring for members of their family can be considered temporarily absent from the FS Unit. See 09.03.02.**

- 09.04.00 This section on Homelessness was moved from 09.02.00 to it's own subsection. The policy did not change.
- 11.01.02 Student aid is no longer counted as income so it was deleted as an example in this paragraph.
- Old Policy:** 2. If an exempt asset is money that you've pro-rated as income, exempt it only for the period over which you've prorated it. After that period expires, count the asset. *Student aid*, self-employment, or farm income are examples of prorated income.
- New Policy:** 2. If an exempt asset is money that you've prorated as income, exempt it only for the period over which you've prorated it. After that period expires, count the asset. Self-employment or farm income are examples of prorated income.
- 11.04.08 A reference to budgeting student aid was deleted. The example was deleted.
- Old Policy:** The FS group member may have deposited money into an account from self-employment, farming, or *student aid*. Prorate this money as income.
- New Policy:** The FS group member may have deposited money into an account from self-employment or farming. Prorate this money as income.
- 12.02.05 **Old Policy:** See 07.03.00 Student Aid.
- New Policy:** Educational aid for students is not counted as income. See 07.03.00 Student Aid.
- 12.02.11.03 This section on SSI Retroactive Installment Payments incorrectly instructed workers to count these lump sums as assets. Since SSI recipients are always categorically eligible, their assets are exempt. This reference was deleted.
- Old Policy:** Retroactive SSI benefits which equal or exceed 12 months of benefits, but which are owed to the following categories of recipients will continue to be received in one lump sum, *which should be counted as an asset under 12.02.11:*
- New Policy:** Retroactive SSI benefits which equal or exceed 12 months of benefits, but which are owed to the following categories of recipients will continue to be received in one lump sum.
- 12.02.23 This section on Repayments was clarified and examples were updated to be more clear. Policy did not change.
- Old Policy:** 1. When a repayment is due to an intentional failure to

comply with program requirements, count any portion of that program's benefit that is withheld as a repayment.

2. Disregard repayments (not due to IPV) from benefits payable to the FS group:

**Clarified Policy:** 1. When a repayment is due to an intentional failure to comply with **W-2** program requirements, count any portion of that program's benefit that is withheld as a repayment.

2. Disregard repayments (not due to **a FS** IPV) from benefits payable to the FS group:

12.04.01 Example 1 was deleted since it referred to obsolete student aid policy.

13.03.03 This section on Bank Accounts for sole-proprietorships referred to a profitability test. That requirement was deleted in the 02-01 release. It was deleted here.

**Old Policy:** In a partnership or sole-proprietorship, a cash account is a business account if the person claims that it is a business account. Disregard the account, *if the profitability test is passed*, even if a partner or sole-proprietor withdraws from it for personal use.

**New Policy:** In a partnership or sole-proprietorship, a cash account is a business account if the person claims that it is a business account. Disregard the account even if a partner or sole-proprietor withdraws from it for personal use.

17.02.00 **Old Policy:** Means-tested public assistance programs include, but are not limited to, W-2 or the Refugee Assistance Program.

**Clarified Policy:** Means-tested public assistance programs include, but are not limited to, W-2 or the Refugee Assistance Program. **SSI is not considered a means-tested program for these requirements.**

17.03.00 **Old Policy:** Means-tested benefit programs include, but are not limited to W-2 or Refugee Assistance.

**Clarified Policy:** Means-tested benefit programs include, but are not limited to W-2 or Refugee Assistance. **SSI is not considered a means-tested program for these requirements.**

25.01 **Old Policy:** Exception: Categorical eligibility must not be conferred upon FS AGs where a food unit member is disqualified from FS due to a drug felony, *an FSET sanction* or an IPV sanction.

**New Policy:** Exception: Categorical eligibility must not be conferred upon FS AGs where a food unit member is disqualified from FS due to a drug felony sanction or an IPV sanction. **Also, TANF or SSI recipients sanctioned for IPV or Drug Felony maintain individual categorical eligibility for resources only. Resources are excluded and not deemed. Income continues to be deemed.**

25.03 Effective 10/01/02:

**Old Policy: Asset Limits:**

\$3,000 when at least one group member is 60 or over.

\$2,000 for all others

**New Policy: Asset Limits:**

\$3,000 when at least one group member is **disabled or** 60 or over.  
\$2,000 for all others

**TYPOS, TECHNICAL,  
OR LINK CHANGES**

Initial Unit, Q. 1	A link to the CARES guide was added.
Unearned Income, Q. 2	A link to appendix 7.03.00 Student Aid was deleted because student aid is no longer budgeted as unearned income.
01.02.00.01	This section was renamed "Purchase and Prepare Exception."
01.02.02.01	This section was renamed "Relationship Rules Exceptions."
02.05.01	This section was renamed "Shelter Resident Eligibility."
15.03.06.01	The graphic of a sociogram was removed because it was causing errors in the creation of the handbook. It was moved to 25.01, the Nonfinancial Eligibility section of the Processing Guidelines chapter. The examples now refer to the graphic in 25.01.
16.08.09	The font type was fixed for this section.